

Joint Committee 6th October 2016

WORCESTERSHIRE REGULATORY SERVICES REVENUE MONITORING APRIL – JUNE 2016

Recommendation

It is recommended that the Joint Committee:

- 1.1 Note the final financial position for the period April – June 2016
- 1.2 That partner councils are informed of their liabilities for 2016-17 in relation to provide pension backfunding

Council	2016-17 Value £000
Bromsgrove	14
Redditch	17
Wyre Forest	16
Wychavon	22
Malvern	12
Worcs City	17
Worcestershire County	26
	124

Contribution to Priorities

The robust financial management arrangements ensure the priorities of the service can be delivered effectively.

Introduction/Summary

This report presents the financial position for Worcestershire Regulatory Services for the period April – June 2016.

Background

The financial monitoring reports are presented to this meeting on a quarterly basis.

Report

The following reports are included for Joint committee's

Attention:

- Revenue Monitoring April – June 16 – Appendix 1

Revenue Monitoring

The detailed revenue report is attached at Appendix 1. This shows a projected outturn overspend of £7k, it is appreciated this is an estimation to the year end based on current level of expenditure. The following assumptions have been made:-

- Vacant posts within the service together with savings resulting from maternity leave, long term sick etc. Part of the underspend is offset by the costs associated with additional agency staff being used to cover the vacancies. Officers will reduce the reliance on agency over the next 3-9 months to ensure the projected outturn is as minimal as possible.
- Included in the expenditure are two months costs relating to Trading Standards / Animal Health. These services transferred back to the County 1st June 2016. County have paid WRS £110k to run these services for the 2 months and this income has been included in the income projected outturn of £312k.
- Based on the spend from April – June 2016 in relation to pest control, there will be an estimated overspend of £34k. Appendix 1 shows this cost recovered from partner councils and officers will continue to monitor and analyse the impact on each council. The individual cost allocation will be advised to partner councils once the information is analysed. It is proposed that partner councils are advised of their share of the actual cost to date for inclusion in council reporting.
- Any grant funded expenditure is shown separate to the core service costs as this is not funded by the participating Councils.
- Requirement for pension back funding 2016-17 will need to be funded by the partner Councils. This has been allocated on the 2015-16 % split. County will continue to pay for the pension deficit, therefore the cost to each Council will be:-

• Bromsgrove	11.53%	£14k
• Redditch	13.65%	£17k
• Wyre Forest	12.69%	£16k
• Wychavon	17.71%	£22k
• Malvern	9.74%	£12k
• Worcs City	13.37%	£17k
• County	21.31%	£26k
• Total:		£124k

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The recommendation at 1.2 refers to the pension partner share.

The percentages stated above are the allocations to be used for the IAS19 / Pensions adjustment for the statement of accounts 2016/17.

The District partner percentages for all other costs / underspend for 2016/17 will be:-

- Bromsgrove 14.52%
- Redditch 17.49%
- Wyre Forest 15.30%
- Wychavon 23.16%
- Malvern 12.77%
- Worcs City 16.76%

This reflects the agreement excluding the County Council

Financial Implications

None other than those stated in the report

Sustainability

None as a direct result of this report

Contact Points

Jayne Pickering – 01527-881400

Background Papers

Detailed financial business case